

ENROLLED HOUSE
BILL NO. 2001

By: Mitchell, Bonny, Kirby,
Calvey, Liotta, Winchester
and Armes of the House

and

Morgan and Robinson of the
Senate

An Act relating to the Oklahoma Capitol Improvement Authority; authorizing Oklahoma Capitol Improvement Authority to acquire certain real property and improvements; specifying certain locations and projects related to the Oklahoma Military Department; authorizing holding of title to property until obligations defeased; providing for transfer of property; authorizing issuance of certain obligations; providing for payment of fees and other costs; authorizing issuance of obligations in series; authorizing engagement of certain professional services; authorizing creation of reserves; prescribing procedures related to sale of obligations; authorizing certain agreements; providing for maturity of obligations; authorizing use of interest income for certain purposes; providing exemption from state taxation; prescribing procedures related to investment of funds; providing for codification; providing an effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 186 of Title 73, unless there is created a duplication in numbering, reads as follows:

A. The Oklahoma Capitol Improvement Authority is authorized to acquire real property together with improvements located thereon, for purposes of constructing improvements upon such real property or making improvements to existing facilities located upon such real property as specified in this subsection for the benefit of the Oklahoma Military Department in order to make improvements, replacements, structural damage assessments, window replacements or paving projects at the following armories:

1. Ada Armory;
2. Altus Armory;
3. Alva Armory;

4. Bristow Armory;
5. Broken Arrow Armory;
6. Chandler Armory;
7. Chandler Organization Maintenance Shop;
8. Chickasha Readiness Center;
9. Durant Armory;
10. Durant Organization Maintenance Shop;
11. Elk City Armory;
12. Enid Armory;
13. Enid Organization Maintenance Shop;
14. Haskell Armory;
15. Holdenville Armory;
16. Kingfisher Armory;
17. Lawton Armory;
18. Lexington Organization Maintenance Shop;
19. McAlester Armory;
20. McAlester Organization Maintenance Shop;
21. Miami Armory;
22. Midwest City Armory;
23. Okemah Armory;
24. 23rd Street Armory, Oklahoma City;
25. Pauls Valley Armory;
26. Sapulpa Armory;
27. Shawnee Armory;
28. Stillwater Armory;
29. Stillwater Organization Maintenance Shop;
30. Tahlequah Armory;
31. Tonkawa Armory;
32. Tulsa AASF #2 Armory;
33. Tulsa Organization Maintenance Shop; and

34. Walters Armory.

B. The Authority may hold title to the real property and improvements until such time as any obligations issued for this purpose are retired or defeased and may lease the real property and improvements specified in subsection A of this section to the Oklahoma Military Department. Upon final redemption or defeasance of the obligations created pursuant to this section, title to the real property and improvements shall be transferred from the Oklahoma Capitol Improvement Authority to the Oklahoma Military Department pursuant to subsection A of this section.

C. For the purpose of paying the costs for acquisition of the real property and improvements authorized in subsection A of this section and for the purpose authorized in subsection D of this section, the Authority is hereby authorized to borrow monies on the credit of the income and revenues to be derived from the leasing of such real property and improvements and, in anticipation of the collection of such income and revenues, to issue negotiable obligations in an amount not to exceed an amount necessary to generate proceeds equal to Six Million Dollars (\$6,000,000.00). It is the intent of the Legislature to appropriate to the Oklahoma Military Department sufficient monies to make rental payments for the purposes of retiring the obligations created pursuant to this section.

D. To the extent funds are available from the proceeds of the borrowing authorized by subsection C of this section, the Oklahoma Capitol Improvement Authority shall provide for the payment of professional fees and associated costs approved by the Oklahoma Military Department for projects identified in subsection A of this section.

E. The Authority may issue obligations in one or more series and in conjunction with other issues of the Authority. The Authority is authorized to hire bond counsel, financial consultants, and such other professionals as it may deem necessary to provide for the efficient sale of the obligations and may utilize a portion of the proceeds of any borrowing to create such reserves as may be deemed necessary and to pay costs associated with the issuance and administration of such obligations.

F. The obligations authorized under this section may be sold at either competitive or negotiated sale, as determined by the Authority, and in such form and at such prices as may be authorized by the Authority. The Authority may enter into agreements with such credit enhancers and liquidity providers as may be determined necessary to efficiently market the obligations. The obligations may mature and have such provisions for redemption as shall be determined by the Authority, but in no event shall the final maturity of such obligations occur later than thirty (30) years from the first principal maturity date.

G. Any interest earnings on funds or accounts created for the purposes of this section may be utilized as partial payment of the annual debt service or for the purposes directed by the Authority.

H. The obligations issued under this section, the transfer thereof and the interest earned on such obligations, including any profit derived from the sale thereof, shall not be subject to

taxation of any kind by the State of Oklahoma, or by any county, municipality or political subdivision therein.

I. The Authority may direct the investment of all monies in any funds or accounts created in connection with the offering of the obligations authorized under this section. Such investments shall be made in a manner consistent with the investment guidelines of the State Treasurer. The Authority may place additional restrictions on the investment of such monies if necessary to enhance the marketability of the obligations.

SECTION 2. This act shall become effective July 1, 2004.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 21st day of May, 2004.

Presiding Officer of the House of
Representatives

Passed the Senate the 24th day of May, 2004.

Presiding Officer of the Senate